AlixPartners

ESTATE FILE NO: 32-3429965

IN THE MATTER OF THE BANKRUPTCY OF
SIREG 3438 SINNICKS INC.
OF THE CITY OF BURLINGTON, IN THE PROVINCE OF ONTARIO

TRUSTEE'S REPORT TO CREDITORS ON
PRELIMINARY ADMINISTRATION

1.0 Introduction

1. This report (the "**Report**") is filed by AlixPartners Restructuring, Inc. ("**AlixPartners**") in its capacity as licensed insolvency trustee (the "**Trustee**") of the bankrupt estate (the "**Estate**") of SIREG 3438 Sinnicks Inc. ("**Sinnicks**" or the "**Company**").

2. On September 28, 2026, the Company filed a Notice of Intention to Make a Proposal (an "**NOI**") under section 50.4(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"). AlixPartners was appointed proposal trustee of the Company (in such capacity, the "**Proposal Trustee**").

3. The Company did not file a proposal within the period permitted under section 50.4 of the BIA and, as a result, was deemed to have made an assignment in bankruptcy on October 29, 2026 pursuant to subsection 50.4(8) of the BIA. AlixPartners is the Trustee of the Company, subject to affirmation of its appointment at the first meeting of creditors.

4. The Company is also subject to receivership proceedings pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated October 20, 2026 (the "**Receivership Order**"). The receivership application was made by HMT Holdings Inc. ("**HMT**"). Pursuant to the Receivership Order, AlixPartners was appointed as receiver (in such capacity, the "**Receiver**") of certain of the assets, undertakings and properties of the Company and certain other affiliated entities (collectively, the "**Receivership Entities**").

5. Publicly available information regarding the Company's bankruptcy proceeding and the receivership proceeding is available on the Trustee's case website (the "**Case Website**"): https://cdncases.alixpartners.com/experience/case/simpleinvestor.

1.1 Currency

1. Unless otherwise stated, all currency references in this Report are to Canadian dollars.

1.2 Restrictions

1. In preparing this Report, the Trustee has relied on financial and other information provided by the Company and its affiliates and discussions with former employees of the Simple Investor Group (as defined below), creditors and third parties.

2. The Trustee has not audited or otherwise attempted to verify the accuracy or completeness of that financial information in a manner that complies with Canadian Auditing Standards ("**CAS**") under the Chartered Professional Accountants of Canada Handbook and, accordingly, expresses no opinion or other form of assurance with respect to such information under the CAS. Any party wishing to rely on the financial information in this Report should perform its own diligence. Information, claims and estimated recoveries remain subject to verification and may change as the administration progresses.

2.0 Background

2.1 The Simple Investor Group

1. The Company is a single-purpose entity that holds registered title to the real property located at 3438 Sinnicks Avenue, Niagara Falls, Ontario (the "**Real Property**"), which comprises 32 residential rental units. It is a member of the Simple Investor Group which comprise numerous affiliated entities (collectively, the "**Simple Investor Group**"). Certain other Simple Investor Group entities are also bankrupt.

2.2 Events Leading to the Bankruptcy

1. The Real Property was managed by SIREG Management Inc. ("**SIREG Management**"), an affiliate of the Company. All rent received and disbursements paid in respect of the Real Property was through SIREG Management. SIREG Management and several other affiliated entities (collectively with the Company, the "**NOI Entities**") filed NOIs on September 25, 2026.

2. Shortly prior to the commencement of the NOI proceedings, the Simple Investor Group retained Reflect Advisors LLC to provide interim management services and to determine whether a viable restructuring or sale was possible. At the time the NOIs were filed, the purpose of those proceedings was to create a stabilized environment in which restructuring options could be considered.

3. The NOI Entities, in consultation with the Proposal Trustee, ultimately determined that they did not have sufficient funding to maintain operations and a proposal would not be viable. The Company did not file a proposal within the 30-day statutory stay period and was deemed bankrupt on October 29, 2026 pursuant to the BIA.

2.3 Receivership

1. Pursuant to the Receivership Order, the Receiver has the power to, among other things, take possession and control of the Company's property. The Receiver has retained a property manager to manage the day-to-day operations of the Real Property and report to the Receiver from time to time. The Receiver intends to bring a motion to Court to approve a sale process for the Real Property in due course. The sale of the Real Property and subsequent distributions to creditors will also be subject to the approval of the Court in the receivership proceedings.

3.0 The Bankrupt Estate

3.1 Assets

1. As noted above, the Company is a single-purpose entity and its sole asset is the Real Property. Based on the Simple Investor Group's records, the book value of the Real Property is $6.5 million. The information in this Report is not a determination that the Company beneficially owns the Real Property or that the stated amount represents an asset divisible among its creditors. The figure below does not necessarily represent realizable value or funds available to the Estate.

3.2 Property Not Divisible Among Creditors

1. The Trustee is not aware of any property that would not be divisible among the Company's creditors pursuant to subsection 67(1) of the BIA or otherwise.

4.0 Creditors

4.1 Secured Creditors

1. The Trustee has searched title to the Real Property and has conducted searches under the *Personal Property Security Act* (Ontario). The results are summarized below:

Secured Creditor	Registered Security
HMT	$21,650,000
Olympia Trust Company ("**Olympia**")	$454,750

2. HMT registered a mortgage against the Real Property dated September 3, 2026 and also registered an assignment of rents against the Real Property. The Trustee understands the HMT mortgage relates to a loan secured against the Real Property and the real property owned three Simple Investor Group affiliates.

3. Olympia Trust Company registered a mortgage against the Real Property dated September 17, 2024. The Trustee understands that Olympia postponed its security to HMT's security pursuant to a postponement registered on September 3, 2026.

4. The Trustee has not independently determined the validity, enforceability or priority of any security.

5. The Trustee understands that property taxes of $22,635.71 were owing in respect of the Real Property as at September 23, 2026.

4.2 Unsecured Creditors

1. The Company is a single-purpose entity without any operations. Other than potential deficiency claims of secured creditors the Trustee is not presently aware of any unsecured creditors of the Company.

5.0 Books and Records

1. The Trustee has taken possession of the available books, records and data required to perform its duties under the BIA, including the Company's minute book. The Trustee understands that the Company did not maintain its own bank account and that its financial records were managed by SIREG Management.

6.0 Preferences and Transfers at Undervalue

1. Pursuant to the BIA, the Trustee is required to conduct a review for preferences and transfers at undervalue by reviewing the Company's bank statements and accounting records for the year preceding the date of the initial bankruptcy event, being September 25, 2026 (the date of the NOI filing).

2. However, as the Company did not maintain its own bank account and separate financial records, no review has been conducted. A review of SIREG Management's records was performed in its bankruptcy proceeding.

7.0 Anticipated Realization and Projected Distribution

1. The anticipated realization and projected distribution will depend on the outcome of the sale process in the receivership proceeding.

8.0 Other Matters

1. There are no other matters to report at this time.

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DATED at Toronto, Ontario, this 19th day of November, 2026.

AlixPartners Restructuring, Inc.

ALIXPARTNERS RESTRUCTURING, INC.
SOLELY IN ITS CAPACITY AS LICENSED INSOLVENCY TRUSTEE
OF SIREG 3438 SINNICKS INC.
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITIES